

**Pallonji Shapoorji Mistry**

20 December 04

Board of Directors  
Attention: Mr. Lance Rosenzweig  
Chairman, President, Chief Executive  
**PeopleSupport Inc.**  
1100 Glendon Ave., Suite 1250  
Los Angeles, California, 90024 USA

Dear Mr. Chairman and Board of Directors of PeopleSupport Inc.,

We wish to make it known that Philippines BPO Acquisition Co., a company currently being incorporated in India, is offering all of the shareholders of PeopleSupport Inc., (symbol PSPT), \$14.00 a share, or \$259 million based on approximately 18.5 million shares, in U.S. dollars, for all of the shares of PeopleSupport Inc. Our offer is in cash, and has no contingencies, other than our desire that all of the management and employees of PeopleSupport Inc., remain with the Company and continue to lead it forward, and the Board of Directors take our offer directly to all the shareholders of PeopleSupport Inc.

As you are well aware, India and the Philippines both offer the very best locations for offshore business process outsourcing services. Together, we have the lowest cost structure coupled with the most efficient, fluent, college educated English speaking employees in the world. A combination of PeopleSupport Inc., in the Philippines, with our companies in India in similar businesses, would be a combination that could offer the widest array of BPO services to clients from around the globe.

We believe our offer constitutes a very attractive proposal for your stockholders at a price which represents a premium of 56% over the current market price of the Company's common stock as of Friday, December 17<sup>th</sup>, 2004, and a premium of 100% over the price per share of the Company's Initial Public Offering on October 1, 2004.

Given the strong balance sheet of our parent company, and the profitable operating results of our subsidiaries, we are highly optimistic that the financing for this transaction will not represent any impediment to the consummation of our proposed deal.

We respectfully request that the Board of Directors, or the company's management, do not implement any defensive measures that would adversely affect the ability of your stockholders to receive the cash consideration of our offer. We believe that the collective opinions of your shareholders would be such that our offer would find an almost universal acceptance. To dampen the ability of your shareholders to participate in our offer would be highly unethical and perhaps violate one or more US Federal securities regulations.

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Our offer is subject, among other things, to the negotiation and execution of mutually acceptable definitive merger and other agreements containing provisions customary for transactions of this type, the receipt of any required regulatory approvals and third-party consents, and the conduct of due diligence satisfactory to us.

We trust that you and your Board of Directors will wholeheartedly support our offer, which we view as offering more than fair and adequate compensation for a business that we feel is an exciting one to be in. We are ready to sit down and discuss all the details of our offer with you so as to speed the timing of the execution of our all-cash merger agreement.

We invite the Board of PeopleSupport Inc., to research our companies and to notify us by e-mail as to your response to our sincere offer to purchase PeopleSupport Inc. Upon receipt of your e-mail or a public response on your part, we will send you our private phone number, fax number, and e-mail address, and we will telephone you to arrange to meet.

With warm regards for the holiday season

*Pallonji Shapoorji Mistry*

Sterling Bay, 103, Walkeshwar, South Mumbai, India  
[Mistry.sp@juno.com](mailto:Mistry.sp@juno.com)

PSI 00004

FROM : LA TABA

PHONE NO. : 02234922873

Jan. 02 2005 09:51PM P1

رافسانجانی خاندان  
**RAFSANJANI FAMILY**

98-21-8750700, 98-21-2040021-5, 98-21-2040011-5, 98-21-2040031-5  
5 DELBASTEH STREET AND VALI-E-ASR AVENUE  
TEHRAN, IRAN; rafsanjani@europe.com

**Offer To Purchase PeopleSupport Inc (PSPT) For US\$20 Per Share**  
**Faxed To Los Angeles Company Headquarters at: 00-1- 310-824-6364**

TO SHAREHOLDERS, CHIEF EXECUTIVE OFFICER, DIRECTORS, PEOPLESUPPORT INC:  
1100 Glendon Avenue, Los Angeles, California, 90024, United States of America

Dear Shareholders, Chief Executive Officer, Directors, of PeopleSupport Inc:

Today being January 3, 2005, our investment banks at Banque Nationale, Equity Investment, City Express Bank, and others, have notified us that our shareholding purchases in the stock of PeopleSupport Inc has, as of today, reached 851,325 shares, and that we will be crossing the 5% threshold this week, requiring us to file a 13D with the United States Securities And Exchange Commission, which we will do by next week or sooner. Our purchases began in December 2004, which explains why PeopleSupport stock has risen so substantially as of late for all shareholders regard.

If it would please the shareholders of PeopleSupport Inc, due to our interest of expanding into the United States, the Philippines, and into outsourcing processing business services, would you accept our offer to purchase the entire Company of PeopleSupport Inc for the complete sum of 370 million United States Dollars? This would be the equivalent of 20 United States Dollars per share for each shareholder of PeopleSupport Inc. We see that your shares are trading at merely 9.97 United States Dollars, which is far less than our offer price, but we are willing to pay a great premium, as your businesses are second to none around the world in this industry.

Please accept our fully financed offer today, and watch for our 13D filing with the United States Securities And Exchange Commission, as we cross the 5% threshold in PeopleSupport Inc this week. «رَبِّهِمْ» May Allah bless you.

مهدی هاشمی رافسانجانی، محسن هاشمی رافسانجانی، یاسر هاشمی رافسانجانی  
Mehdi Hashemi Rafsanjani, Mohsen Hashemi Rafsanjani, Yasser Hashemi Rafsanjani

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